

**Alliance for Quality Business Solutions
Meeting
November 28, 2000**

ATTENDEES:

Chairperson Genni Brown welcomed participants.

CONTRACTORS

Chuck Hastings, Cutler-Hammer
Rob Hile, Control Systems International (CSI)
Jack Kleckner, Ecolab
Lynette Dempsey, Ecolab
Glenna Kness, ADT
Bob Williams, Interface
Michelle Zentner, Interface
Joan Haynes, MHG Filtration Systems
Lynn de Seve, GSA Schedules, Inc.
Ken Lebens, Cummins
Marla Hoot, Gill Marketing
Daneel le Roux, Eastern Carolina Vocational Center
Jim Attrell, Nortex Modular Space
Dave Hart, Zep, Mfg.
Dan Edwards, Zep Mfg.

GSA

Genni Brown, General Products Center
Larry Camp, General Products Center
Lyn DePriest, General Products Center
Shaloy Castle-Higgins, General Products Center
Joyce Pruitt, General Products Center
Mary Hewston, General Products Center
Carol Batesole, General Products Center
Mike Keith, General Products Center
Randy Jones, Office of Enterprise Development
Pat Loomis, General Products Center
Pamela Mines, General Products Center
Alan Searsy, General Products Center
Harry Henson, General Products Center
Sandy Tatum, General Products Center
Sharon Strohecker, General Products Center
Kori Bertino, General Products Center

Shelia Brannan, General Products Center
Pat Dawson, General Products Center
Donna Curphey, General Products Center
Georgia Sells, General Products Center
Lisa Riddle, General Products Center

STATE OF THE CENTER

Mary Hewston, Director, General Products Center, spoke to the group about various events and initiatives taking place in the Center. The Center is currently in good shape. There has been some turnover within the Center, and there are currently nine positions being filled. Some of these positions are for Contract Specialists, so some movement in the commodity assignments can be expected.

There is currently an ongoing emphasis on E-Business. It is very important for all contractors to load their items onto GSA Advantage, since the new E-Buy initiative will pull its information directly from GSA Advantage.

With the retirement of Bill Gormley after 31 years of federal service, FSS has a new Assistant Commissioner for the Office of Acquisition. Carolyn Alston, who was previously the Deputy Assistant Commissioner for Acquisition, has taken on this new role. She worked closely with Mr. Gormley in implementing the many changes that have taken place in FSS's acquisition programs, and we can expect continued growth and change in the future. Additionally, the Office of Acquisition will continue to focus on its four business goals:

- Goal 1 - Be an employer of choice
- Goal 2 - Partner with customers and industry
- Goal 3 - Improve electronic commerce
- Goal 4 - Promote sound management practices

The Supply Business Line is another area of change that could have an impact on the General Products Center, in terms of how we provide services and supplies. There are currently ongoing discussions regarding the SBL, and a decision on how the new business line will be organized can be expected in the near future. This is an item about which we will continue to provide updates.

The Center continues to exceed its sales goals, especially with the massive growth in the Multiple Award Schedule area. While this goal might seem to be aggressive, we have forecasted to bring in \$1 billion in sales in FY-01. We're confident that this financial goal can be met.

Mary answered a question regarding the sales data on GSA Advantage. The sales data on advantage should be accurate; however, the sales from services will not be on Advantage. This information was intended to be used as a tool,

and it is product-oriented. At the current time, the General Products Center has about 50% of its contracts loaded.

INDUSTRY UPDATE

Pat Loomis, Director, Procurement Operations, gave an update on several procurement items of interest:

FedBizOps – An automatic notification function has been added to FedBizOps, which will allow one to be alerted of any pending procurements. When enrolling for this notification service, information can be requested based on FSC or contractor. The information is automatically e-mailed to those who enroll in this function. All General Products Center solicitations will be posted on FedBizOps. Additionally, FedBizOps will replace the Commerce Business Daily starting on October 1, 2001.

SAM – Solutions and More, MAS 539, is the General Products Center's new multiple award schedule that covers all 28 of the Center's schedules. The SAM schedule was effective on October 1, 2000. Other than being consolidated, there has been very little change to the individual schedules. With the exception of the New Introductory Items, all SIN's are the same as before the consolidation. Some of the benefits of the schedule consolidation for the GPC contractors who previously had multiple contracts are:

- Only 1 contract number
- Only 1 price list
- Only 1 check to send-in

Benefits to the General Products Center:

- Only 1 solicitation to update
- GPC has a central point of contact to make changes in the solicitation

Corporate Contracting – This refers to one schedule for all of Federal Supply Service, which consolidates more than 84 schedules into one solicitation. It is geared toward commercial partners who have more than one contract, especially if the contracts are located within several Acquisition Centers. Participation in corporate contracting is strictly voluntary, although it offers many of the same benefits of the SAM program. The corporate contract will be administered from the various Centers, who will coordinate and jointly negotiate when items from multiple Centers are involved.

Latest Technology –

- E-Library now lists all contracts and SIN's.
- The SBA website lists subcontracting possibilities, which could help those who are preparing subcontracting plans.
- GSA Advantage is currently being customized. Additionally, the General Products Center has a new Advantage coordinator, Lyn DePriest. Lyn can be reached at 817-978-2998.
- E-Buy procurement process:
 - Federal Agencies will identify need online
 - E-Buy will automatically solicit bids from everyone who is on GSA Advantage
 - Federal Agencies will make a best-value determination

Pat answered a question about the role of the Administering Contracting Officers (ACO). The ACO's primary function is to monitor the 72A reporting and collection. They ensure that contractors pay the 1% industrial funding fee of sales. ACO's also monitor the delivery of warehouse replenishment orders placed against MAS contracts.

MARKETING INITIATIVES

GSA Expo 2001 in Orlando - Alliance meeting attendees received advance Expo registration packets, and Genni Brown, Director, Marketing and Account Management of the General Products presented some interesting information about this year's Expo:

There will be no restrictions on the number of booths each Center can sell, as in the past.

With 800 booth spaces, Orlando will be the largest GSA Expo to date.

The booth assignments will be made on a first come, first served basis

ALLIANCE MEMBERSHIP

Jack Kleckner, Membership Committee Chairman, reminded the group about the importance of the Alliance and the need to become members and participate in the meetings. Membership applications may be completed online through the General Products Center's website at: <http://www.gsa.gov/regions/7fss/7fx/> It is time to start working to recruit customer members to participate in Alliance meetings. Several customers have expressed interest in the group, but none have committed so far. Another suggestion was to start identifying and inviting

nearby customers to future Alliance meetings as soon as the meeting location is determined.

PUBLIC RELATIONS UPDATE

Alan Searsy spoke about the various initiatives that the Publicity Committee is working on.

There is an article about the Alliance in the September issue of the Coalition for Government Procurement Newsletter.

The Alliance also advertised in the September issue of Marketips.

Continuing to distribute handouts and cards at all the trade shows and expos

There was discussion about the possibility of linking contractors to the Alliance website and developing a "Forum" area on the Alliance website.

It was suggested that a feedback form could be used to track interest in the Alliance.

AUTHORIZATION FOR ESCO'S TO USE MAS

Alan Searsy and Rob Hile reviewed the issue of getting the word out that Energy Saving Companies under the FEMP Super ESPC program (and similar programs) can use the Federal Supply Schedule. It was agreed that the Marketing Division will make this known the next time an energy brochure is issued and it was agreed that Mr. Searsy will pursue additional options with FSS Central Office.

PRIME VENDOR

Pam Mines and Chuck Long worked on an initiative to research and analyze the Prime Vendor program. Prime Vendor is a commercial distributor of commercial products that supports DOD. One of the main problems with this competition is that many ordering offices in DOD perceive that the Prime Vendor programs are mandatory sources. Some of the areas that DLA's Prime Vendor Programs cover are:

Maintenance, Repair & Operations – supplies for facilities maintenance of DOD bases. Services can also be acquired, including maintenance, repair and renovation of buildings, lawn care, and painting.

Move and Store Material – provides material handling equipment

Fire Fighting Prime Vendor – fire fighting equipment and services

Bench Stock Industrial Prime Vendor – provides items such as O-rings, bolts, nuts, screws, washers, and rivets

Wood Products Prime Vendor – provides lumber

Food Service – includes supplies, parts, and incidental services such as design, layout, installation and warranty related matters

Marine Lifesaving & Diving Prime Vendor – canopies, cases, lanyards, life rafts, survival kits

Vector Research, Inc. did a study and reported that DLA should continue with their Prime Vendor Initiatives. The Office of Business Development and Marketing is currently developing ways to compete with this program. Additionally, Linda Hauenstein from the Office of Acquisition will be getting involved with this issue on a national level..

Base contracting offices do not like the Prime Contractor because many times the contracting office is overlooked by the ordering office, and the order goes directly to the Prime Vendors. One of the things that we could do would be to develop a relationship and form an ally in these base contracting offices.

GSA should continue to encourage customers to choose GSA as a source of supply over DLA. Pam asked that anyone who has concrete information about a customer who has moved from GSA to DLA to forward the information to her at pam.mines@gsa.gov She will ensure that these customers receive information about the benefits of ordering from GSA.

One Alliance participant who has both GSA and Prime Vendor contracts mentioned that she has not seen a major move from GSA in the products that she carries. Additionally, the products that she has seen an increase in prime vendors sales in were items not originally on GSA contract.

NEXT MEETINGS

The next meeting is tentatively scheduled for February. Having a meeting in Orlando, FL at the GSA Expo was also discussed. The Expo will run from Tuesday, May 22 through Thursday, May 24. It was proposed that the Alliance host a breakfast the last day of the show, prior to the opening of exhibits at 8:30 a.m. More information about the next GSA Expo can be found at the website:

<http://expo.gsa.gov>

It was suggested that invitational letters should be sent to customers who are in the area of future meetings.

BADGES FOR CONTRACTORS

Genni Brown worked on an initiative to learn about obtaining federal building badges for contractors. She learned that the National Furniture Center, who is currently issuing badges to its contractors, had to negotiate with the federal protective office. She suggested that we try to piggy-back off of the agreement that the Furniture Center already has in order to set-up a badge program for our contractors. Rob Hile and Genni Brown will continue to work on establishing this program.

ASSISTANCE FOR SCHEDULE-HOLDERS

Genni asked for ideas about things that the General Products Center could assist contractors in doing business with GSA. One idea was for GSA to provide good, updated addresses, phone numbers, and e-mail addresses for specific government customers. Pam Mines added that the General Products Center is currently partnering with associations and industries to create e-mail listings of buyers and end-users. Other ideas to obtain more current listings were to request or buy the attendance lists from the various expos and trade shows, ask for information from booth attendees at shows, and request information from the Customer Service Directors. A listing of CSD's and their areas of responsibility can be found on this website:

<http://www.fss.gsa.gov/csd.cfm>

IMPROVE TIMELINES – The General Products Center has received positive feedback regarding the timeframes and timeliness of contract modifications and awards. Pat Loomis, Director, Procurement Operations, talked about the contract award process in relation to timelines. The GPC's procurement areas are currently monitoring the AVERAGE time that the process takes and will set a new goal accordingly. At the present time, mods should be done in 30 days. The contracting officers are going to be rated on their timelines as a portion of their annual performance appraisals.

INPUT / QUESTIONS

E-Mail

- Q. DOD's E-Mail is competing with GSA Advantage. Is this program mandatory over GSA Advantage? Also, DLA receives a 3% of sales premium through this program.
- A. The E-Mail is not a mandatory source. GSA needs to constantly improve its programs in order to keep ahead of the game and keep an advantage

Photon

Chuck Hastings and Pat Loomis commented on the implications of the Photon Technology International Case, which involved defining a multiple award schedule sale. GSA's Procurement Information Bulletin (PIB) 99-14 states the following about the case:

The Board of Contract Appeals case, in a small dollar value case, adopted a principle for determining when an order is considered a contract sale. Although this ruling does not set a precedent, the principle could apply to products or services on GSA Multiple Award Schedules (MAS) contracts, whether or not the agency specifically referenced the GSA contract number. Photon Technology International, Inc. (PHOTON) had their products awarded under a MAS contract. During the period the schedule contract was in effect, PHOTON accepted orders from mandatory MAS using agencies, but did not provide the agencies with the schedule prices or other advantageous terms and conditions. PHOTON claimed that it was only obligated to provide the contract discounts to those agencies that identified themselves as either GSA or "GSA qualified." The judge ruled, "In short, the contract assumes that Federal agencies are either required or entitled to use the schedule contract; the contract places the burden on the contractor to identify those non-mandatory users whose orders the contractor chooses not to fill and reject those orders...appellant [PHOTON] cannot maintain that only

agencies that identified themselves as GSA qualified were entitled to the discount...”

Although the decision was not clearly directly with 72A sales reporting and the Industrial Funding Fee, this decision clearly relates. Based on the PHOTON ruling, all orders from eligible users for products or services on a MAS contract are to be considered sales under that contract, unless the contractor can provide evidence to the contrary.

Copies of this decision are available online at
www.gsbca.gsa.gov/appeals/w1491823.txt

NEXT MEETING

More information on any of the topics discussed at this meeting can be obtained by contacting Lisa Riddle at 817-978-2650 or by e-mail at lisa.riddle@gsa.gov. The next meeting is scheduled for February 27, and more information about the time and place will be available soon. Please forward any topics or issues you would like addressed at the next meeting to Lisa Riddle, and they will be added to the next agenda.